



Rep. Karen May

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1 AMENDMENT TO SENATE BILL 3660

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 3660, AS AMENDED,  
3 by inserting Article 17 in its proper numeric sequence as  
4 follows:

5 "ARTICLE 17.

6 Section 17-1. Declaration. State retirees currently  
7 receive a much higher subsidy of their health care premiums (a  
8 100% subsidy for retirees with 20 or more years of service)  
9 than most retirees in health benefits plans in other states and  
10 in the private sector; reform of the State's health benefits  
11 program should require significantly greater cost-sharing by  
12 State retirees; and such reform would substantially reduce both  
13 the annual cost of the State's retiree health care plan under  
14 the State Employees Group Insurance Act of 1971 and the State's  
15 \$24 billion unfunded liability associated with that plan.

1 Section 17-5. The State Employees Group Insurance Act of  
2 1971 is amended by changing Section 10 as follows:

3 (5 ILCS 375/10) (from Ch. 127, par. 530)

4 Sec. 10. Payments by State; premiums.

5 (a) The State shall pay the cost of basic non-contributory  
6 group life insurance and, subject to member paid contributions  
7 set by the Department or required by this Section, the basic  
8 program of group health benefits on each eligible member,  
9 except a member, not otherwise covered by this Act, who has  
10 retired as a participating member under Article 2 of the  
11 Illinois Pension Code but is ineligible for the retirement  
12 annuity under Section 2-119 of the Illinois Pension Code, and  
13 part of each eligible member's and retired member's premiums  
14 for health insurance coverage for enrolled dependents as  
15 provided by Section 9. The amount of the monthly premium to be  
16 paid by a retired member or the surviving spouse or dependent  
17 of a deceased member shall be an incrementally increasing fixed  
18 dollar amount, determined by the Department by rule, for each  
19 of the following ranges that includes the retired member's or  
20 survivor's annual income amount under the Illinois Pension  
21 Code: (i) less than \$30,000, (ii) \$30,000 or more but less than  
22 \$50,000, (iii) \$50,000 or more but less than \$75,000, (iv)  
23 \$75,000 or more but less than \$100,000, (v) \$100,000 or more  
24 but less than \$125,000, (vi) \$125,000 or more but less than  
25 \$150,000, and (vii) \$150,000 or more; the amount of the annuity

1 of a member or the surviving spouse or dependent of a member  
2 who elected to receive an alternative retirement cancellation  
3 payment under Section 14-108.5 of the Illinois Pension Code  
4 shall be calculated as provided in subsection (a-1) or  
5 subsection (a-2), respectively, of this Section. In  
6 determining the incrementally increasing fixed dollar amounts,  
7 the Department shall consider principles of fairness that  
8 assure that the premium amount to be paid by a retired member  
9 or survivor does not cause that retired member or survivor  
10 financial hardship that pushes him or her below the federal  
11 poverty level or into qualification for Medicaid. The State  
12 shall pay the cost of the basic program of group health  
13 benefits only after benefits are reduced by: (A) the amount of  
14 benefits covered by Medicare for all members and dependents who  
15 are eligible for benefits under Social Security or the Railroad  
16 Retirement system or who had sufficient Medicare-covered  
17 government employment, except that such reduction in benefits  
18 shall apply only to those members and dependents who (1) first  
19 become eligible for such Medicare coverage on or after July 1,  
20 1992, + or (2) are Medicare-eligible members or dependents of a  
21 local government unit which began participation in the program  
22 on or after July 1, 1992, + or (3) remain eligible for, but no  
23 longer receive Medicare coverage which they had been receiving  
24 on or after July 1, 1992; and (B) in the case of a retired  
25 member or a deceased member's surviving spouse or dependent,  
26 the amount of benefits covered by a health benefits plan

1 provided by a current employer of the annuitant or the  
2 annuitant's spouse, if any; the Department, by rule, shall  
3 provide for periodic audits to ensure compliance with these  
4 provisions. The Department may determine the aggregate level of  
5 the State's contribution on the basis of actual cost of medical  
6 services adjusted for age, sex or geographic or other  
7 demographic characteristics which affect the costs of such  
8 programs.

9 The cost of participation in the basic program of group  
10 health benefits for the dependent or survivor of a living or  
11 deceased retired employee who was formerly employed by the  
12 University of Illinois in the Cooperative Extension Service and  
13 would be an annuitant but for the fact that he or she was made  
14 ineligible to participate in the State Universities Retirement  
15 System by clause (4) of subsection (a) of Section 15-107 of the  
16 Illinois Pension Code shall not be greater than the cost of  
17 participation that would otherwise apply to that dependent or  
18 survivor if he or she were the dependent or survivor of an  
19 annuitant under the State Universities Retirement System.

20 (a-1) Beginning January 1, 1998, for each person who  
21 becomes a new SERS annuitant and participates in the basic  
22 program of group health benefits, the State shall contribute  
23 toward the cost of the annuitant's coverage under the basic  
24 program of group health benefits an amount equal to 5% of that  
25 cost for each full year of creditable service upon which the  
26 annuitant's retirement annuity is based, up to a maximum of

1 100% for an annuitant with 20 or more years of creditable  
2 service, minus the amount of the premium required by subsection  
3 (a) of this Section. The remainder of the cost of a new SERS  
4 annuitant's coverage under the basic program of group health  
5 benefits shall be the responsibility of the annuitant. In the  
6 case of a new SERS annuitant who has elected to receive an  
7 alternative retirement cancellation payment under Section  
8 14-108.5 of the Illinois Pension Code in lieu of an annuity,  
9 for the purposes of this subsection the annuitant shall be  
10 deemed to be receiving a retirement annuity based on the number  
11 of years of creditable service that the annuitant had  
12 established at the time of his or her termination of service  
13 under SERS.

14 (a-2) Beginning January 1, 1998, for each person who  
15 becomes a new SERS survivor and participates in the basic  
16 program of group health benefits, the State shall contribute  
17 toward the cost of the survivor's coverage under the basic  
18 program of group health benefits an amount equal to 5% of that  
19 cost for each full year of the deceased employee's or deceased  
20 annuitant's creditable service in the State Employees'  
21 Retirement System of Illinois on the date of death, up to a  
22 maximum of 100% for a survivor of an employee or annuitant with  
23 20 or more years of creditable service, minus the amount of the  
24 premium required by subsection (a) of this Section. The  
25 remainder of the cost of the new SERS survivor's coverage under  
26 the basic program of group health benefits shall be the

1 responsibility of the survivor. In the case of a new SERS  
2 survivor who was the dependent of an annuitant who elected to  
3 receive an alternative retirement cancellation payment under  
4 Section 14-108.5 of the Illinois Pension Code in lieu of an  
5 annuity, for the purposes of this subsection the deceased  
6 annuitant's creditable service shall be determined as of the  
7 date of termination of service rather than the date of death.

8 (a-3) Beginning January 1, 1998, for each person who  
9 becomes a new SURS annuitant and participates in the basic  
10 program of group health benefits, the State shall contribute  
11 toward the cost of the annuitant's coverage under the basic  
12 program of group health benefits an amount equal to 5% of that  
13 cost for each full year of creditable service upon which the  
14 annuitant's retirement annuity is based, up to a maximum of  
15 100% for an annuitant with 20 or more years of creditable  
16 service, minus the amount of the premium required by subsection  
17 (a) of this Section. The remainder of the cost of a new SURS  
18 annuitant's coverage under the basic program of group health  
19 benefits shall be the responsibility of the annuitant.

20 (a-4) (Blank).

21 (a-5) Beginning January 1, 1998, for each person who  
22 becomes a new SURS survivor and participates in the basic  
23 program of group health benefits, the State shall contribute  
24 toward the cost of the survivor's coverage under the basic  
25 program of group health benefits an amount equal to 5% of that  
26 cost for each full year of the deceased employee's or deceased

1 annuitant's creditable service in the State Universities  
2 Retirement System on the date of death, up to a maximum of 100%  
3 for a survivor of an employee or annuitant with 20 or more  
4 years of creditable service, minus the amount of the premium  
5 required by subsection (a) of this Section. The remainder of  
6 the cost of the new SURS survivor's coverage under the basic  
7 program of group health benefits shall be the responsibility of  
8 the survivor.

9 (a-6) Beginning July 1, 1998, for each person who becomes a  
10 new TRS State annuitant and participates in the basic program  
11 of group health benefits, the State shall contribute toward the  
12 cost of the annuitant's coverage under the basic program of  
13 group health benefits an amount equal to 5% of that cost for  
14 each full year of creditable service as a teacher as defined in  
15 paragraph (2), (3), or (5) of Section 16-106 of the Illinois  
16 Pension Code upon which the annuitant's retirement annuity is  
17 based, up to a maximum of 100%, minus the amount of the premium  
18 required by subsection (a) of this Section; except that the  
19 State contribution shall be 12.5% per year (rather than 5%) for  
20 each full year of creditable service as a regional  
21 superintendent or assistant regional superintendent of  
22 schools, minus the amount of the premium required by subsection  
23 (a) of this Section. The remainder of the cost of a new TRS  
24 State annuitant's coverage under the basic program of group  
25 health benefits shall be the responsibility of the annuitant.

26 (a-7) Beginning July 1, 1998, for each person who becomes a

1 new TRS State survivor and participates in the basic program of  
2 group health benefits, the State shall contribute toward the  
3 cost of the survivor's coverage under the basic program of  
4 group health benefits an amount equal to 5% of that cost for  
5 each full year of the deceased employee's or deceased  
6 annuitant's creditable service as a teacher as defined in  
7 paragraph (2), (3), or (5) of Section 16-106 of the Illinois  
8 Pension Code on the date of death, up to a maximum of 100%,  
9 minus the amount of the premium required by subsection (a) of  
10 this Section; except that the State contribution shall be 12.5%  
11 per year (rather than 5%) for each full year of the deceased  
12 employee's or deceased annuitant's creditable service as a  
13 regional superintendent or assistant regional superintendent  
14 of schools, minus the amount of the premium required by  
15 subsection (a) of this Section. The remainder of the cost of  
16 the new TRS State survivor's coverage under the basic program  
17 of group health benefits shall be the responsibility of the  
18 survivor.

19 (a-7A) Beginning July 1, 2010, for each person who becomes  
20 a new General Assembly Retirement System (GARS) annuitant under  
21 the Illinois Pension Code and participates in the basic program  
22 of group health benefits, the State shall contribute toward the  
23 cost of the annuitant's coverage under the basic program of  
24 group health benefits an amount equal to 5% of that cost for  
25 each full year of creditable service upon which the annuitant's  
26 retirement annuity is based, up to a maximum of 100% for an

1 annuitant with 20 or more years of creditable service, minus  
2 the amount of the premium required by subsection (a) of this  
3 Section. The remainder of the cost of a new GARS annuitant's  
4 coverage under the basic program of group health benefits shall  
5 be the responsibility of the annuitant.

6 (a-7B) Beginning July 1, 2010, for each person who becomes  
7 a new General Assembly Retirement System (GARS) survivor under  
8 the Illinois Pension Code and participates in the basic program  
9 of group health benefits, the State shall contribute toward the  
10 cost of the survivor's coverage under the basic program of  
11 group health benefits an amount equal to 5% of that cost for  
12 each full year of the deceased member's creditable service in  
13 the General Assembly Retirement System on the date of death, up  
14 to a maximum of 100% for a survivor of a member with 20 or more  
15 years of creditable service, minus the amount of the premium  
16 required by subsection (a) of this Section. The remainder of  
17 the cost of a new GARS survivor's coverage under the basic  
18 program of group health benefits shall be the responsibility of  
19 the annuitant.

20 (a-7C) Beginning July 1, 2010, for each person who becomes  
21 a new Judges Retirement System of Illinois (JRS) annuitant  
22 under the Illinois Pension Code and participates in the basic  
23 program of group health benefits, the State shall contribute  
24 toward the cost of the annuitant's coverage under the basic  
25 program of group health benefits an amount equal to 5% of that  
26 cost for each full year of creditable service upon which the

1 annuitant's retirement annuity is based, up to a maximum of  
2 100% for an annuitant with 20 or more years of creditable  
3 service, minus the amount of the premium required by subsection  
4 (a) of this Section. The remainder of the cost of a new JRS  
5 annuitant's coverage under the basic program of group health  
6 benefits shall be the responsibility of the annuitant.

7 (a-7D) Beginning July 1, 2010, for each person who becomes  
8 a new Judges Retirement System of Illinois (JRS) survivor under  
9 the Illinois Pension Code and participates in the basic program  
10 of group health benefits, the State shall contribute toward the  
11 cost of the survivor's coverage under the basic program of  
12 group health benefits an amount equal to 5% of that cost for  
13 each full year of the deceased member's creditable service in  
14 the Judges Retirement System of Illinois on the date of death,  
15 up to a maximum of 100% for a survivor of a member with 20 or  
16 more years of creditable service, minus the amount of the  
17 premium required by subsection (a) of this Section. The  
18 remainder of the cost of a new JRS survivor's coverage under  
19 the basic program of group health benefits shall be the  
20 responsibility of the annuitant.

21 (a-8) An annuitant or survivor described in any of  
22 subsections (a-1) through (a-7D) ~~A new SERS annuitant, new SERS~~  
23 ~~survivor, new SERS annuitant, new SERS survivor, new TRS State~~  
24 ~~annuitant, or new TRS State survivor~~ may waive or terminate  
25 coverage in the program of group health benefits. Any such  
26 annuitant or survivor who has waived or terminated coverage may

1 enroll or re-enroll in the program of group health benefits  
2 only during the annual benefit choice period, as determined by  
3 the Director; except that in the event of termination of  
4 coverage due to nonpayment of premiums, the annuitant or  
5 survivor may not re-enroll in the program.

6 (a-9) No later than May 1 of each calendar year, the  
7 Director of Central Management Services shall certify in  
8 writing to the Executive Secretary of the State Employees'  
9 Retirement System of Illinois the amounts of the Medicare  
10 supplement health care premiums and the amounts of the health  
11 care premiums for all other retirees who are not Medicare  
12 eligible.

13 A separate calculation of the premiums based upon the  
14 actual cost of each health care plan shall be so certified.

15 The Director of Central Management Services shall provide  
16 to the Executive Secretary of the State Employees' Retirement  
17 System of Illinois such information, statistics, and other data  
18 as he or she may require to review the premium amounts  
19 certified by the Director of Central Management Services.

20 The Department of Healthcare and Family Services, or any  
21 successor agency designated to procure healthcare contracts  
22 pursuant to this Act, is authorized to establish funds,  
23 separate accounts provided by any bank or banks as defined by  
24 the Illinois Banking Act, or separate accounts provided by any  
25 savings and loan association or associations as defined by the  
26 Illinois Savings and Loan Act of 1985 to be held by the

1 Director, outside the State treasury, for the purpose of  
2 receiving the transfer of moneys from the Local Government  
3 Health Insurance Reserve Fund. The Department may promulgate  
4 rules further defining the methodology for the transfers. Any  
5 interest earned by moneys in the funds or accounts shall inure  
6 to the Local Government Health Insurance Reserve Fund. The  
7 transferred moneys, and interest accrued thereon, shall be used  
8 exclusively for transfers to administrative service  
9 organizations or their financial institutions for payments of  
10 claims to claimants and providers under the self-insurance  
11 health plan. The transferred moneys, and interest accrued  
12 thereon, shall not be used for any other purpose including, but  
13 not limited to, reimbursement of administration fees due the  
14 administrative service organization pursuant to its contract  
15 or contracts with the Department.

16 (a-10) The changes made by this amendatory Act of the 96th  
17 General Assembly:

18 (1) Shall be implemented in such a manner that neither  
19 the State nor Medicare-eligible retired members subsidize  
20 the additional health care costs associated with members  
21 who retire before becoming Medicare-eligible.

22 (2) Shall apply consistently to persons who are or  
23 become employees, retired members, or survivors on or after  
24 its effective date, including those persons subject to  
25 collective bargaining agreements.

26 (3) Are null and void to the extent those changes

1       conflict with any federal program to subsidize retiree  
2       reimbursement or any federal law under which the State may  
3       access federal dollars.

4       (b) State employees who become eligible for this program on  
5       or after January 1, 1980 in positions normally requiring actual  
6       performance of duty not less than 1/2 of a normal work period  
7       but not equal to that of a normal work period, shall be given  
8       the option of participating in the available program. If the  
9       employee elects coverage, the State shall contribute on behalf  
10      of such employee to the cost of the employee's benefit and any  
11      applicable dependent supplement, that sum which bears the same  
12      percentage as that percentage of time the employee regularly  
13      works when compared to normal work period.

14      (c) The basic non-contributory coverage from the basic  
15      program of group health benefits shall be continued for each  
16      employee not in pay status or on active service by reason of  
17      (1) leave of absence due to illness or injury, (2) authorized  
18      educational leave of absence or sabbatical leave, or (3)  
19      military leave with pay and benefits. This coverage shall  
20      continue until expiration of authorized leave and return to  
21      active service, but not to exceed 24 months for leaves under  
22      item (1) or (2). This 24-month limitation and the requirement  
23      of returning to active service shall not apply to persons  
24      receiving ordinary or accidental disability benefits or  
25      retirement benefits through the appropriate State retirement  
26      system or benefits under the Workers' Compensation or

1 Occupational Disease Act.

2 (d) The basic group life insurance coverage shall continue,  
3 with full State contribution, where such person is (1) absent  
4 from active service by reason of disability arising from any  
5 cause other than self-inflicted, (2) on authorized educational  
6 leave of absence or sabbatical leave, or (3) on military leave  
7 with pay and benefits.

8 (e) Where the person is in non-pay status for a period in  
9 excess of 30 days or on leave of absence, other than by reason  
10 of disability, educational or sabbatical leave, or military  
11 leave with pay and benefits, such person may continue coverage  
12 only by making personal payment equal to the amount normally  
13 contributed by the State on such person's behalf. Such payments  
14 and coverage may be continued: (1) until such time as the  
15 person returns to a status eligible for coverage at State  
16 expense, but not to exceed 24 months, (2) until such person's  
17 employment or annuitant status with the State is terminated, or  
18 (3) for a maximum period of 4 years for members on military  
19 leave with pay and benefits and military leave without pay and  
20 benefits (exclusive of any additional service imposed pursuant  
21 to law).

22 (f) The Department shall establish by rule the extent to  
23 which other employee benefits will continue for persons in  
24 non-pay status or who are not in active service.

25 (g) The State shall not pay the cost of the basic  
26 non-contributory group life insurance, program of health

1 benefits and other employee benefits for members who are  
2 survivors as defined by paragraphs (1) and (2) of subsection  
3 (q) of Section 3 of this Act. The costs of benefits for these  
4 survivors shall be paid by the survivors or by the University  
5 of Illinois Cooperative Extension Service, or any combination  
6 thereof. However, the State shall pay the amount of the  
7 reduction in the cost of participation, if any, resulting from  
8 the amendment to subsection (a) made by this amendatory Act of  
9 the 91st General Assembly.

10 (h) Those persons occupying positions with any department  
11 as a result of emergency appointments pursuant to Section 8b.8  
12 of the Personnel Code who are not considered employees under  
13 this Act shall be given the option of participating in the  
14 programs of group life insurance, health benefits and other  
15 employee benefits. Such persons electing coverage may  
16 participate only by making payment equal to the amount normally  
17 contributed by the State for similarly situated employees. Such  
18 amounts shall be determined by the Director. Such payments and  
19 coverage may be continued until such time as the person becomes  
20 an employee pursuant to this Act or such person's appointment  
21 is terminated.

22 (i) Any unit of local government within the State of  
23 Illinois may apply to the Director to have its employees,  
24 annuitants, and their dependents provided group health  
25 coverage under this Act on a non-insured basis. To participate,  
26 a unit of local government must agree to enroll all of its

1 employees, who may select coverage under either the State group  
2 health benefits plan or a health maintenance organization that  
3 has contracted with the State to be available as a health care  
4 provider for employees as defined in this Act. A unit of local  
5 government must remit the entire cost of providing coverage  
6 under the State group health benefits plan or, for coverage  
7 under a health maintenance organization, an amount determined  
8 by the Director based on an analysis of the sex, age,  
9 geographic location, or other relevant demographic variables  
10 for its employees, except that the unit of local government  
11 shall not be required to enroll those of its employees who are  
12 covered spouses or dependents under this plan or another group  
13 policy or plan providing health benefits as long as (1) an  
14 appropriate official from the unit of local government attests  
15 that each employee not enrolled is a covered spouse or  
16 dependent under this plan or another group policy or plan, and  
17 (2) at least 50% of the employees are enrolled and the unit of  
18 local government remits the entire cost of providing coverage  
19 to those employees, except that a participating school district  
20 must have enrolled at least 50% of its full-time employees who  
21 have not waived coverage under the district's group health plan  
22 by participating in a component of the district's cafeteria  
23 plan. A participating school district is not required to enroll  
24 a full-time employee who has waived coverage under the  
25 district's health plan, provided that an appropriate official  
26 from the participating school district attests that the

1 full-time employee has waived coverage by participating in a  
2 component of the district's cafeteria plan. For the purposes of  
3 this subsection, "participating school district" includes a  
4 unit of local government whose primary purpose is education as  
5 defined by the Department's rules.

6 Employees of a participating unit of local government who  
7 are not enrolled due to coverage under another group health  
8 policy or plan may enroll in the event of a qualifying change  
9 in status, special enrollment, special circumstance as defined  
10 by the Director, or during the annual Benefit Choice Period. A  
11 participating unit of local government may also elect to cover  
12 its annuitants. Dependent coverage shall be offered on an  
13 optional basis, with the costs paid by the unit of local  
14 government, its employees, or some combination of the two as  
15 determined by the unit of local government. The unit of local  
16 government shall be responsible for timely collection and  
17 transmission of dependent premiums.

18 The Director shall annually determine monthly rates of  
19 payment, subject to the following constraints:

20 (1) In the first year of coverage, the rates shall be  
21 equal to the amount normally charged to State employees for  
22 elected optional coverages or for enrolled dependents  
23 coverages or other contributory coverages, or contributed  
24 by the State for basic insurance coverages on behalf of its  
25 employees, adjusted for differences between State  
26 employees and employees of the local government in age,

1 sex, geographic location or other relevant demographic  
2 variables, plus an amount sufficient to pay for the  
3 additional administrative costs of providing coverage to  
4 employees of the unit of local government and their  
5 dependents.

6 (2) In subsequent years, a further adjustment shall be  
7 made to reflect the actual prior years' claims experience  
8 of the employees of the unit of local government.

9 In the case of coverage of local government employees under  
10 a health maintenance organization, the Director shall annually  
11 determine for each participating unit of local government the  
12 maximum monthly amount the unit may contribute toward that  
13 coverage, based on an analysis of (i) the age, sex, geographic  
14 location, and other relevant demographic variables of the  
15 unit's employees and (ii) the cost to cover those employees  
16 under the State group health benefits plan. The Director may  
17 similarly determine the maximum monthly amount each unit of  
18 local government may contribute toward coverage of its  
19 employees' dependents under a health maintenance organization.

20 Monthly payments by the unit of local government or its  
21 employees for group health benefits plan or health maintenance  
22 organization coverage shall be deposited in the Local  
23 Government Health Insurance Reserve Fund.

24 The Local Government Health Insurance Reserve Fund is  
25 hereby created as a nonappropriated trust fund to be held  
26 outside the State Treasury, with the State Treasurer as

1     custodian. The Local Government Health Insurance Reserve Fund  
2     shall be a continuing fund not subject to fiscal year  
3     limitations. All revenues arising from the administration of  
4     the health benefits program established under this Section  
5     shall be deposited into the Local Government Health Insurance  
6     Reserve Fund. Any interest earned on moneys in the Local  
7     Government Health Insurance Reserve Fund shall be deposited  
8     into the Fund. All expenditures from this Fund shall be used  
9     for payments for health care benefits for local government and  
10    rehabilitation facility employees, annuitants, and dependents,  
11    and to reimburse the Department or its administrative service  
12    organization for all expenses incurred in the administration of  
13    benefits. No other State funds may be used for these purposes.

14        A local government employer's participation or desire to  
15    participate in a program created under this subsection shall  
16    not limit that employer's duty to bargain with the  
17    representative of any collective bargaining unit of its  
18    employees.

19        (j) Any rehabilitation facility within the State of  
20    Illinois may apply to the Director to have its employees,  
21    annuitants, and their eligible dependents provided group  
22    health coverage under this Act on a non-insured basis. To  
23    participate, a rehabilitation facility must agree to enroll all  
24    of its employees and remit the entire cost of providing such  
25    coverage for its employees, except that the rehabilitation  
26    facility shall not be required to enroll those of its employees

1 who are covered spouses or dependents under this plan or  
2 another group policy or plan providing health benefits as long  
3 as (1) an appropriate official from the rehabilitation facility  
4 attests that each employee not enrolled is a covered spouse or  
5 dependent under this plan or another group policy or plan, and  
6 (2) at least 50% of the employees are enrolled and the  
7 rehabilitation facility remits the entire cost of providing  
8 coverage to those employees. Employees of a participating  
9 rehabilitation facility who are not enrolled due to coverage  
10 under another group health policy or plan may enroll in the  
11 event of a qualifying change in status, special enrollment,  
12 special circumstance as defined by the Director, or during the  
13 annual Benefit Choice Period. A participating rehabilitation  
14 facility may also elect to cover its annuitants. Dependent  
15 coverage shall be offered on an optional basis, with the costs  
16 paid by the rehabilitation facility, its employees, or some  
17 combination of the 2 as determined by the rehabilitation  
18 facility. The rehabilitation facility shall be responsible for  
19 timely collection and transmission of dependent premiums.

20 The Director shall annually determine quarterly rates of  
21 payment, subject to the following constraints:

22 (1) In the first year of coverage, the rates shall be  
23 equal to the amount normally charged to State employees for  
24 elected optional coverages or for enrolled dependents  
25 coverages or other contributory coverages on behalf of its  
26 employees, adjusted for differences between State

1 employees and employees of the rehabilitation facility in  
2 age, sex, geographic location or other relevant  
3 demographic variables, plus an amount sufficient to pay for  
4 the additional administrative costs of providing coverage  
5 to employees of the rehabilitation facility and their  
6 dependents.

7 (2) In subsequent years, a further adjustment shall be  
8 made to reflect the actual prior years' claims experience  
9 of the employees of the rehabilitation facility.

10 Monthly payments by the rehabilitation facility or its  
11 employees for group health benefits shall be deposited in the  
12 Local Government Health Insurance Reserve Fund.

13 (k) Any domestic violence shelter or service within the  
14 State of Illinois may apply to the Director to have its  
15 employees, annuitants, and their dependents provided group  
16 health coverage under this Act on a non-insured basis. To  
17 participate, a domestic violence shelter or service must agree  
18 to enroll all of its employees and pay the entire cost of  
19 providing such coverage for its employees. The domestic  
20 violence shelter shall not be required to enroll those of its  
21 employees who are covered spouses or dependents under this plan  
22 or another group policy or plan providing health benefits as  
23 long as (1) an appropriate official from the domestic violence  
24 shelter attests that each employee not enrolled is a covered  
25 spouse or dependent under this plan or another group policy or  
26 plan and (2) at least 50% of the employees are enrolled and the

1 domestic violence shelter remits the entire cost of providing  
2 coverage to those employees. Employees of a participating  
3 domestic violence shelter who are not enrolled due to coverage  
4 under another group health policy or plan may enroll in the  
5 event of a qualifying change in status, special enrollment, or  
6 special circumstance as defined by the Director or during the  
7 annual Benefit Choice Period. A participating domestic  
8 violence shelter may also elect to cover its annuitants.  
9 Dependent coverage shall be offered on an optional basis, with  
10 employees, or some combination of the 2 as determined by the  
11 domestic violence shelter or service. The domestic violence  
12 shelter or service shall be responsible for timely collection  
13 and transmission of dependent premiums.

14 The Director shall annually determine rates of payment,  
15 subject to the following constraints:

16 (1) In the first year of coverage, the rates shall be  
17 equal to the amount normally charged to State employees for  
18 elected optional coverages or for enrolled dependents  
19 coverages or other contributory coverages on behalf of its  
20 employees, adjusted for differences between State  
21 employees and employees of the domestic violence shelter or  
22 service in age, sex, geographic location or other relevant  
23 demographic variables, plus an amount sufficient to pay for  
24 the additional administrative costs of providing coverage  
25 to employees of the domestic violence shelter or service  
26 and their dependents.

1           (2) In subsequent years, a further adjustment shall be  
2           made to reflect the actual prior years' claims experience  
3           of the employees of the domestic violence shelter or  
4           service.

5           Monthly payments by the domestic violence shelter or  
6           service or its employees for group health insurance shall be  
7           deposited in the Local Government Health Insurance Reserve  
8           Fund.

9           (1) A public community college or entity organized pursuant  
10          to the Public Community College Act may apply to the Director  
11          initially to have only annuitants not covered prior to July 1,  
12          1992 by the district's health plan provided health coverage  
13          under this Act on a non-insured basis. The community college  
14          must execute a 2-year contract to participate in the Local  
15          Government Health Plan. Any annuitant may enroll in the event  
16          of a qualifying change in status, special enrollment, special  
17          circumstance as defined by the Director, or during the annual  
18          Benefit Choice Period.

19          The Director shall annually determine monthly rates of  
20          payment subject to the following constraints: for those  
21          community colleges with annuitants only enrolled, first year  
22          rates shall be equal to the average cost to cover claims for a  
23          State member adjusted for demographics, Medicare  
24          participation, and other factors; and in the second year, a  
25          further adjustment of rates shall be made to reflect the actual  
26          first year's claims experience of the covered annuitants.

1           (1-5) The provisions of subsection (1) become inoperative  
2 on July 1, 1999.

3           (m) The Director shall adopt any rules deemed necessary for  
4 implementation of this amendatory Act of 1989 (Public Act  
5 86-978).

6           (n) Any child advocacy center within the State of Illinois  
7 may apply to the Director to have its employees, annuitants,  
8 and their dependents provided group health coverage under this  
9 Act on a non-insured basis. To participate, a child advocacy  
10 center must agree to enroll all of its employees and pay the  
11 entire cost of providing coverage for its employees. The child  
12 advocacy center shall not be required to enroll those of its  
13 employees who are covered spouses or dependents under this plan  
14 or another group policy or plan providing health benefits as  
15 long as (1) an appropriate official from the child advocacy  
16 center attests that each employee not enrolled is a covered  
17 spouse or dependent under this plan or another group policy or  
18 plan and (2) at least 50% of the employees are enrolled and the  
19 child advocacy center remits the entire cost of providing  
20 coverage to those employees. Employees of a participating child  
21 advocacy center who are not enrolled due to coverage under  
22 another group health policy or plan may enroll in the event of  
23 a qualifying change in status, special enrollment, or special  
24 circumstance as defined by the Director or during the annual  
25 Benefit Choice Period. A participating child advocacy center  
26 may also elect to cover its annuitants. Dependent coverage

1 shall be offered on an optional basis, with the costs paid by  
2 the child advocacy center, its employees, or some combination  
3 of the 2 as determined by the child advocacy center. The child  
4 advocacy center shall be responsible for timely collection and  
5 transmission of dependent premiums.

6 The Director shall annually determine rates of payment,  
7 subject to the following constraints:

8 (1) In the first year of coverage, the rates shall be  
9 equal to the amount normally charged to State employees for  
10 elected optional coverages or for enrolled dependents  
11 coverages or other contributory coverages on behalf of its  
12 employees, adjusted for differences between State  
13 employees and employees of the child advocacy center in  
14 age, sex, geographic location, or other relevant  
15 demographic variables, plus an amount sufficient to pay for  
16 the additional administrative costs of providing coverage  
17 to employees of the child advocacy center and their  
18 dependents.

19 (2) In subsequent years, a further adjustment shall be  
20 made to reflect the actual prior years' claims experience  
21 of the employees of the child advocacy center.

22 Monthly payments by the child advocacy center or its  
23 employees for group health insurance shall be deposited into  
24 the Local Government Health Insurance Reserve Fund.

25 (Source: P.A. 95-331, eff. 8-21-07; 95-632, eff. 9-25-07;  
26 95-707, eff. 1-11-08; 96-756, eff. 1-1-10.)".